

Received : November 31, 2022
Accepted : December 21, 2022
Published : March, 2023

Conference on Community Engagement Project
<https://journal.uib.ac.id/index.php/concept>

Ngethrift Business Model Development

Dessy Aliandrina¹, Fadia Janita Rahma²

Universitas Internasional Batam

Email of correspondence: dessy@uib.edu, 1942049.fadia@uib.edu

Abstract

Buying and wearing used clothes is still considered taboo and embarrassing by many people in Indonesia. However, a new phenomenon has emerged, namely the current thrifting trend. Thrifting means hunting for used clothes. Thrifting activities aim to support the sustainable fashion movement that emphasizes environmental and human values. Thrifting motivation is driven by the desire to save money, look unique and different, and care about the environment. Thrifting in society is not just a dress activity but also a desire to take part in saving the earth and reducing waste. The concept of Ngethrift's business is to reuse clothes that are no longer used to become something of value, by reselling or donating to those who need it more so that it has business value and social value. This business is a place to accommodate used clothes from the community which will then be distributed to be donated or modified into something that can be a selling point. Ngethrift is a thrifting business located in Sambas which sells it offline and has not yet started doing online-based business. Ngethrift currently needs to make a breakthrough to survive in today's digital era.

Keywords: *Thrifting, Sustainable Fashion, Ngethrift*

Introduction

Thrifting is collecting things that someone no longer uses and then selling them and making them available to someone else. Thrifting can also be understood as the activity of buying used goods (Gafara, 2019). The products offered are used clothes that are still usable. Goods sold such as shirts, pants, skirts, dresses, and others. This business is a place to accommodate used clothes from the community which will then be distributed to be donated or modified into something that can be a selling point. Ngethrift can be aimed at all market segments. However, based on product characteristics, the target market that is more targeted is teenage to adult women. This business was established on July 17, 2022 and is located at Jalan Tanjung Pura No.098, Galing, Sambas, West Kalimantan. Effort In this digital era, business people are required to be more creative and take advantage of existing opportunities. Not only business people, but society also changes according to their needs. Now we will get our needs quickly without leaving the house because there

are cell phones that have shopping applications on them, and you can even shop through social media. In the field of marketing, social media marketing is a mainstay for carrying out promotions with efficient costs but with maximum results. Statistical data states that 70% of business actors acquire new customers through social media. Interacting with consumers on a regular basis is an effective way to get them to buy products and turn them into customers. Social media has a significant effect on increasing sales. Therefore, this practical work activity focuses on promoting the Ngethrift business on social media Instagram and Facebook, with this promotion it is hoped that the Ngethrift business can be recognized by the wider community. Apart from focusing on marketing strategy, it is also important to look for product differentiation. Product differentiation according to Kotler quoted by (Bobby Yudhiarina, 2009) is: "Difference is the activity of designing a series of unique means to differentiate what is offered by the company with what is offered by competitors". Based on the definition above, it can be concluded that product differentiation is a strategy that makes products different from competitors and even exceeds them, so that the results that can be assessed by consumers and the expected value can influence the choices and interests of the most special consumers. Therefore, this practical work activity also focuses on finding business partners, namely tailors to cooperate in thrifting product differentiation by way of modification. Sociopreneur Indonesia Education is the key to transferring knowledge from professionals in the entrepreneurial field to the owner of Ngethrift. The aim of this project is to develop the Ngethrift business. Previously, Ngethrift was only based offline, and the business did not have a clear marketing strategy. Steps to develop Ngethrift to social media can increase brand awareness and achieve the goal of increasing overall profit. These strategies include designing logos, and creating business social media accounts on Facebook and Instagram. The existence of social media can make Ngethrift better known by the wider community, this can benefit Ngethrift. Below are the objectives to be achieved for this project:

1. Analyze current business conditions.
2. Assisting partners in conducting digital marketing
3. Assist partners in finding business partners (tailor)
4. Assist partners in designing a budget
5. Participate in increasing the sales of the business being run and instilling an entrepreneurial mindset by combining real case studies and theory and the writer becomes an accounting student.

Methods

The data collection technique in this study was to use a qualitative approach with the case study method, using the book *Qualitative Inquiry and Research Design: Choosing Among Five Traditions* by John W. Creswell as a reference, namely that a case study is an exploration of a bound system or one cases/various cases which from time to time involve various rich sources of information in a context collected through in-depth data (Creswell, 2014). The researcher conducted an analysis of documents related to the research, observed thrift shops that have physical and non-physical shops, and conducted in-depth interviews with 13

sources consisting of three types of sources, namely thrifting sellers, thrifting consumers, and the general public.

Result and Discussion

Product brand image is very important in order to maintain and even increase consumer buying interest. (Tjiptono, 2011) defines brand image, which is a description of consumer associations and beliefs about certain brands. The logo underwent 2 revisions and the logo below is the final one that was selected. The logo of ngethrift itself consists of several parts, the first is the symbol of a clothes hanger, because in a thrifting shop the clothes will be displayed along the shop using these hangers, and it has become a hallmark of the thrifting market to display clothes in a very tight volume. The second is the symbol of plant shoots, which is a form of love for the environment where by using used goods that are still suitable for use, we can reduce waste and protect the environment. The choice of the clothes hanger logo and plant shoots also means that this business is implementing the concept of sustainable fashion which is much needed in this era, where the culture of fast fashion is very high. Below is the final logo:

Picture 1.
Final Logo



Source: Author (2022)

1) Looking for a business partner (tailor)

Before actually selling the product to the public, it is necessary to test the feasibility of the product first. The first thing to do after finding product innovation ideas is to look for partners, namely tailors to cooperate in thrifting product differentiation by means of modifications. In this thrifting business, the selected partners are Mrs. Sudeti and Mrs. Asih, who are located in Setapak. After that, it will proceed with conducting market trials.

Picture 2.
Tailor



Source: Author (2022)

2) Marketing Strategy

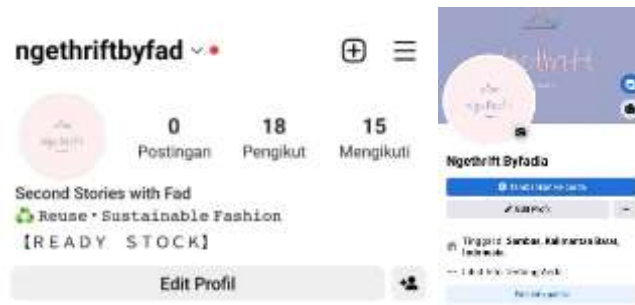
A marketing strategy according to (Kotler & Keller, 2008) with a structured marketing strategy, a company can achieve its goals. This business is marketed online through social media, namely Facebook and Instagram. That way, consumers can see product details through photos uploaded on Facebook and Instagram along with information about size, price, and a complete and clear description of the product. To attract consumer buying interest, the products sold will be worn by models with reference to how to mix and match these clothes.

Instagram was chosen because it is one of the most popular social media in Indonesia, as evidenced by the Databooks survey which showed that there are 53 million Instagram users in Indonesia out of a total of 132 million internet users in Indonesia (Katadata, 2021). Indonesia has the fourth largest number of Facebook users after the United States, Brazil, and India (Kominfo, 2021). Based on these facts, it appears that Indonesian people actively use social media. This is supported by the large number of people who already use Instagram and Facebook, and because of the wide reach of these two-social media, people can access information anytime and anywhere. In addition, Instagram and Facebook can be accessed from computers, mobile phones and tablets. Therefore, Instagram and Facebook can be used as very effective and efficient marketing media.

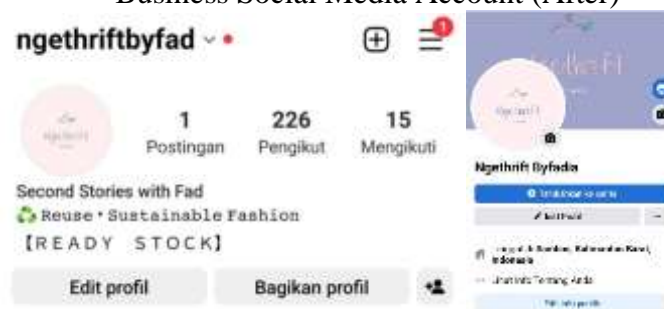
The marketing strategy carried out on Instagram will initially be made with a campaign concept. This campaign will raise issues of environmental pollution caused by clothing waste. It aims to build public awareness of these issues before introducing this thrifting business which is one of the solutions to reduce clothing waste. The marketing strategy on Facebook will create simpler content. This is done because the target market targeted on Facebook is mothers.

Picture 3.

Business Social Media Account (Before)



Picture 4.
Business Social Media Account (After)



3) Budget Plan

Capital requirements in this business consist of investment capital and working capital. Investment capital is capital issued at the beginning of the business period for the establishment or purchase of facilities that support sales transactions and are used to obtain benefits until they cannot be used economically. The total capital requirement plan for the initial period of this business plan is IDR 4,000,000-., consisting of investment capital issued is IDR 3,000,000.-. and working capital of IDR 1,000,000-.

Table 1.
Capital Requirements

Start Up Fund	Amount	
Asset		
Inventory	3.000.000	
Equipment & Stationary	500.000	
Total Asset		3.500.000
Capital		
Cash On Hand	1.000.000	
Total Capital		1.500.000
The amount of initial capital required		4.000.000

Table 2.

Projected Income Statement within a year

Income Statement	
Revenue	
Inventory Sales	80,000,000
Fees Income	31,500,000
Total Revenue	111,500,000
Cost of goods sold	
Purchase	28,800,000
Packaging	9,000,000
Total Cost of goods sold	-37,800,000
Gross Profit	73,700,000
Operating expense	
Tailor commision fees	6,000,000
Internet quota fees	4,800,000
Equipment expense	1,400,000
Miscellaneous expense	2,000,000
Total Expense	14,200,000
NET PROFIT	59,500,000

Fee income is obtained from commissions obtained from selling used clothing from people who wish to sell their used clothing, amounting to 10% of the price of goods sold. So this business is also a platform for people to sell their used clothes.

Conclusions

Ngethrift has a big opportunity in this digital era. The advantage of Ngethrift is that it has a re-use value, which aims to reduce the accumulation of unused clothes and piles up in the wardrobe so that ultimately clothes are not wasted and become waste. Then, the modifications and the upcycle concept applied in this business make the clothes that are produced not marketable or have differences from the clothes that are traded in the market. Ngethrift can be aimed at all market segments. However, based on product characteristics, the target market that is more targeted is teenage

to adult women. Using digital platforms as a medium for marketing and selling products will be very helpful in increasing revenue, which previously only focused on offline sales. The entrepreneurship class organized by SID as MBKM really helped the writer as a business owner. The knowledge that the author obtained from college and also with material from entrepreneurship classes as a tool for developing businesses. Ngethrift's recommendations as a business are:

- a. Deepen and apply the knowledge gained from entrepreneurship classes
- b. Continue to add insight and knowledge about digital business.
- c. Continue to add insight to be able to find new innovative ideas that can be used to develop the business.

References

- Bobby Yudhiarina. (2009). *Pengaruh Strategi Diferensiasi Produk, Merek Dan Promosi Terhadap Proses Keputusan Pembelian Konsumen Pada Perusahaan Rokok PT H M Sampoerna*.
- Creswell, J. W. (2014). *Research Design - Qualitative, Quantitative, and Mixed Method Approaches*.
- Gafara, G. (2019). *A Brief History of Thrifting*. Ussfeed.Com.
<https://www.ussfeed.com/a-brief-history-of-thrifting/>
- Katadata. (2021, August 3). *Berapa Pengguna Instagram dari Indonesia*. Databoks. <https://databoks.katadata.co.id/datapublish/2021/08/03/inilah-negara-pengguna-instagram-terbanyak-indonesia-urutan-berapa>
- Kominfo. (2021, July 29). *Kominfo : Pengguna Internet di Indonesia 63 Juta Orang*. Kementerian Komunikasi Dan Informatika (Kominfo.Go.Id).
https://www.kominfo.go.id/index.php/content/detail/3415/Kominfo+%3A+Pengguna+Internet+di+Indonesia+63+Juta+Orang/0/berita_satker
- Kotler, & Keller. (2008). *Prinsip-prinsip Pemasaran* (12th ed.). Erlangga Jakarta.
- Tjiptono, F. (2011). *Brand Management & Strategy*. Penerbit ANDI Yogyakarta.